

## **MINUTES**

### **MONTANA HOUSE OF REPRESENTATIVES 61st LEGISLATURE - REGULAR SESSION**

#### **JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL RESOURCES AND TRANSPORTATION**

##### **Call to Order:**

**CHAIRMAN GALEN HOLLENBAUGH**, on January 12, 2009 at 10:02 A.M., in Room 317-C Capitol.

##### **ROLL CALL**

##### **Members Present:**

Rep. Galen Hollenbaugh, Chairman (D)  
Sen. Rick Ripley, Vice Chairman (R)  
Rep. Duane Ankney (R)  
Sen. John Brenden (R)  
Rep. Robert Mehlhoff (D)  
Rep. Llew Jones (R)  
Sen. Mitch Tropila (D)

**Members Excused:** None.

**Members Absent:** None.

**Staff Present:** James Chamberlain, OBPP  
Tyrrell Hibbard, Committee Secretary  
Barbara Smith, Legislative Branch

**Audio Committees:** These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

##### **Committee Business Summary:**

Hearing & Date Posted: Department of Natural Resources and Conservation, Conservation and Resource Development Division overview and decision packages. Montana Board of Oil and Gas overview and decision packages, 1/7/2009

Executive Action: None.

**DEPARTMENT OF NATURAL RESOURCES AND CONSERVATION**  
**Conservation and Resource Development Division**

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00:00:27 Ray Beck, Administrator, Department of Natural  
Resources and Conservation's (DNRC) Conservation and  
Resource Development Division (CARDD)

00:00:29 Rep. Mehlhoff arrived.

**EXHIBIT(jnh06a01)**

00:20:54 Chairman Hollenbaugh

00:21:02 Mr. Beck

**EXHIBIT(jnh06a02)**

00:31:35 Chairman Hollenbaugh

**EXHIBIT(jnh06a03)**

00:31:51 Rep. Ankney

00:32:20 Mr. Beck

00:32:25 Chairman Hollenbaugh

00:32:32 Mr. Beck

00:32:41 Chairman Hollenbaugh

00:32:47 Mr. Beck

00:32:59 Chairman Hollenbaugh

00:33:22 Sen. Brenden

00:33:38 Mr. Beck

00:33:45 Sen. Brenden

00:34:20 Chairman Hollenbaugh

00:34:33 Mr. Beck

00:35:25 Chairman Hollenbaugh

00:35:31 Mr. Beck

00:35:59 Sen. Ripley

00:36:41 Mr. Beck

**EXHIBIT(jnh06a04)**

00:37:17 Rep. Jones

00:37:56 Mr. Beck

00:39:10 Rep. Jones

00:39:15 Mr. Beck

00:39:26 Chairman Hollenbaugh

**DP 2301 CARDD Operating Adjustment**

00:39:48 Mr. Beck

**DP 2302 Montana Grass Conservation Commission**

00:41:11 Mr. Beck

**DP 2303 Coal Bed Methane CD Administration**

00:42:00 Mr. Beck

00:43:14 Sen. Brenden

00:44:06 Mr. Beck  
00:45:16 Sen. Ripley  
00:45:20 Mr. Beck  
00:45:39 Sen. Ripley  
00:45:43 Mr. Beck

**DP 2304 Drinking Water Loan Assistance**

00:46:35 Mr. Beck

**DP 2305 Regional Water Systems**

00:47:44 Mr. Beck  
00:49:10 Chairman Hollenbaugh  
00:49:25 Mr. Beck  
00:50:03 Sen. Ripley  
00:50:18 Mr. Beck  
00:50:25 Sen. Ripley  
00:50:36 Mr. Beck  
00:50:51 Chairman Hollenbaugh  
00:51:05 Dan Keil, Chairman, North Central Montana Regional  
Water Authority  
00:52:09 Rep. Mehlhoff left hearing.  
00:52:57 Sen. Ripley  
00:53:16 Mr. Keil  
00:53:22 Sen. Ripley  
00:53:31 Mr. Beck  
00:53:49 Sen. Ripley  
00:54:00 Mr. Beck  
00:54:38 Rep. Mehlhoff returned.

**DP 2307 Conservation District Grants OTO**

00:54:50 Mr. Beck

**DP 2306 Montana Rural Water Systems--Bien/OTO**

00:56:32 Ms. Smith

**DP 2308 State Special Revenue Funding Switch**

00:56:58 Mr. Beck  
00:57:26 Mr. Chamberlain  
00:57:40 Sen. Tropila  
00:58:14 Mr. Beck  
00:58:30 Sen. Tropila  
00:58:38 Mr. Chamberlain  
00:58:52 Sen. Tropila

00:59:41 Mr. Chamberlain (OBPP)  
00:59:47 Mr. Hollenbaugh  
01:00:01 Ms. Smith  
01:00:47 Chairman Hollenbaugh

**DP 6101 Fixed Cost Workers Comp Management Program Allocation**

01:01:08 Mr. Beck

**Language Appropriation**

01:01:15 Mr. Beck  
01:02:15 Sen. Ripley  
01:02:38 Mr. Beck  
01:02:46 Ms. Smith (LFD)  
01:02:51 Mr. Beck  
01:03:02 Anna Miller, Chief, Financial Development Bureau, CARDD  
01:04:22 Sen. Brenden  
01:05:00 Mr. Beck  
01:06:06 Ms. Smith  
01:06:26 Mr. Beck  
01:06:31 Ms. Smith  
01:06:38 Mr. Beck  
01:07:51 Chairman Hollenbaugh

**Public Comment:**

01:08:09 Steve Hedstrom, President, Montana Association of  
Conservation Districts  
01:11:39 Jeff Tiberi, Executive Director, Montana Association of  
Conservation Districts  
01:13:14 Shonny Nordlund, Coordinator, Montana Envirothon  
Program; District Administrator, Fergus Conservation  
District  
01:14:32 Lane Nordlund, Student, Fergus High School  
01:15:48 Chairman Hollenbaugh  
01:15:58 Steve Wade, Montana Rural Water Systems, North Central  
Regional Water

**EXHIBIT(jnh06a05)**

**EXHIBIT(jnh06a06)**

**EXHIBIT(jnh06a07)**

01:21:00 Chairman Hollenbaugh  
01:21:06 Gayla Wortman, volunteer board member, Cascade County  
Conservation District  
01:23:11 Chairman Hollenbaugh  
01:23:13 Vicki Marquis, Coordinator, Missouri River Conservation  
Districts Council

**EXHIBIT(jnh06a08)**

**EXHIBIT(jnh06a09)**

01:26:52 Sen. Brenden  
01:27:30 Ms. Marquis  
01:27:57 Buzz Mattelin, Farmer, Roosevelt County. Supervisor,  
Roosevelt County Conservation District  
01:31:19 Stephen Granzow, Supervisor, Lewis and Clark County  
Conservation District  
01:32:20 Nicole McClain, Coordinator, Yellowstone River  
Conservation District Council

**EXHIBIT(jnh06a10)**

01:39:16 Jane Holzer, Program Director, Montana Salinity Control  
Association

**EXHIBIT(jnh06a11)**

01:41:08 Dan Keil, board member, Montana Rural Water Systems  
01:42:54 Chairman Hollenbaugh  
01:43:35 Sen. Tropila  
01:44:27 Mary Sexton, Director, DNRC  
01:46:40 Sen. Tropila  
01:46:46 Chairman Hollenbaugh  
  
01:47:05 Break  
01:54:44 Reconvene

**Montana Board of Oil and Gas**

**Public Comment:**

01:55:10 Dave Galt, Executive Director, Montana Petroleum  
Association  
01:59:07 Willie Duffield, Executive Director, Montana  
Association of Oil, Gas, and Coal Producing Counties  
02:00:12 Sen. Tropila  
02:00:28 Ms. Smith  
  
02:00:51 Tom Richmond, Administrator, Oil and Gas Division,  
DNRC; Petroleum Engineer, Montana Board of Oil and Gas  
Conservation

**EXHIBIT(jnh06a12)**

02:16:13 Chairman Hollenbaugh

**DP 2201 Oil and Gas Operating Adjustment**

02:16:43 Mr. Richmond  
02:18:23 Chairman Hollenbaugh  
02:18:26 Mr. Richmond  
02:18:55 Chairman Hollenbaugh  
02:19:05 Mr. Richmond  
02:20:01 Chairman Hollenbaugh

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02:20:18 Mr. Richmond  
02:20:53 Chairman Hollenbaugh  
02:21:10 Mr. Richmond

**DP 2202 Board of Oil and Gas Office Equipment BIEN/OTO**

02:22:04 Mr. Richmond

**DP 2204 North American Prospect Exhibition OTO**

02:23:09 Mr. Richmond  
02:23:55 Sen. Brenden  
02:24:10 Mr. Richmond

**DP 2206 Underground Injection Control (UIC) Funding Change**

02:24:27 Mr. Richmond  
02:27:15 Chairman Hollenbaugh  
02:27:23 Mr. Richmond  
02:28:09 Rep. Mehlhoff  
02:28:44 Mr. Richmond  
02:29:26 Chairman Hollenbaugh

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**ADJOURNMENT**

02:29:44 Adjournment: 12:30 P.M.

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TYRRELL HIBBARD, Secretary

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Additional Documents:

**EXHIBIT ([jnh06aad.pdf](#))**